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*00 SEP 29 AM 10 22
September 29, 2000
EXECUTIVE SECRETARY

Guy M. Hicks
General Counsel
615 214-6301
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VIA HAND DELIVERY

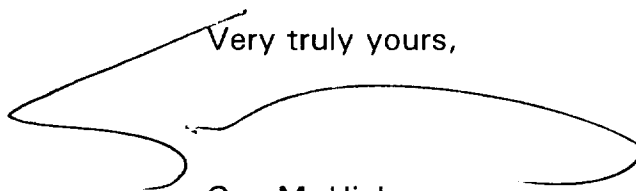
David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

RE: *All Telephone Companies Tariff Filings Regarding Reclassification Of
Pay Telephone Service As Required By Federal Communications
Commission (FCC) Docket 96-128
Docket No. 97-00409*

Dear Mr. Waddell:

Enclosed are the original and thirteen copies of BellSouth Telecommunications, Inc.'s Responses to Tennessee Payphone Owners Association Supplemental Data Requests. Copies of the enclosed are being provided to counsel of record for all parties.

Very truly yours,



Guy M. Hicks

GMH:ch
Enclosure

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

REC'D TN
REGULATORY AUTH.

*00 SEP 29 AM 10 22

In Re: *Tariff Filings by Local Exchange Companies to Comply with FCC Order 96-439,
Concerning the Reclassification of Pay Telephones*

EXECUTIVE SECRETARY

Docket No. 97-00409

BELLSOUTH TELECOMMUNICATIONS, INC.'S
RESPONSES TO TENNESSEE PAYPHONE OWNERS ASSOCIATION
SUPPLEMENTAL DATA REQUESTS

REQUEST: Refer to page A.1.10 (bates stamp 000028) of Exhibit DDC-1.

- a. Describe in detail the steps taken by BellSouth to cause the entries in the column entitled "Shared Cost" be \$0.00.
- b. Describe in detail the steps taken by BellSouth to cause the "Common Cost Factor" to be 1.0000.
- c. Provide a copy of worksheet A.1.10 as it would have appeared if BellSouth had not undertaken the steps described in parts a. and b. above, but instead had permitted the worksheet to produce and report a "Monthly Economic Cost" that includes the level of shared and common costs that would otherwise have been produced by the model. To be clear, TPTA is asking BellSouth to hold all other worksheet inputs constant as presented in Exhibit DDC-1, and to specifically restore the portions of the worksheet that calculate "Shared Cost" and "Common Cost" to the condition previously approved by the Authority.

RESPONSE:

- a. See response to part c.
- b. See response to part c.
- c. The cost study filed by BellSouth utilizes TSLRIC methodology as specified by FCC Docket No. 96-128. The steps requested by the TPOA would develop a TELRIC study. BellSouth has not performed these steps and it is not appropriate to do so because, as stated in previous responses to the TPOA's data requests (see Item No. 1 dated July 3, 1997 and Item No. 6 dated July 25, 2000), TELRIC is not the correct methodology for costing payphone access services.

REQUEST: Refer to page C.1.1 (bates stamp 000032) of Exhibit DDC-1.

- a. Describe in detail the steps taken by BellSouth to cause the entries in the column entitled "Shared Cost" be \$0.00.
- b. Describe in detail the steps taken by BellSouth to cause the "Common Cost Factor" to be 1.0000.
- c. Provide a copy of worksheet C.1.1 as it would have appeared if BellSouth had not undertaken the steps described in parts a. and b. above, but instead had permitted the worksheet to produce and report a "Monthly Economic Cost" that includes the level of shared and common costs that would otherwise have been produced by the model. To be clear, TPTA is asking BellSouth to hold all other worksheet inputs constant as presented in Exhibit DDC-1, and to specifically restore the portions of the worksheet that calculate "Shared Cost" and "Common Cost" to the condition previously approved by the Authority.

RESPONSE:

- a. See response to part c.
- b. See response to part c.
- c. The cost study filed by BellSouth utilizes TSLRIC methodology as specified by FCC Docket No. 96-128. The steps requested by the TPOA would develop a TELRIC study. BellSouth has not performed these steps and it is not appropriate to do so because, as stated in previous responses to the TPOA's data requests (see Item No. 1 dated July 3, 1997 and Item No. 6 dated July 25, 2000), TELRIC is not the correct methodology for costing payphone access services.

REQUEST: Refer to page C.1.2 (bates stamp 000038) of Exhibit DDC-1.

- a. Describe in detail the steps taken by BellSouth to cause the entries in the column entitled "Shared Cost" be \$0.00.
- b. Describe in detail the steps taken by BellSouth to cause the "Common Cost Factor" to be 1.0000.
- c. Provide a copy of worksheet C.1.2 as it would have appeared if BellSouth had not undertaken the steps described in parts a. and b. above, but instead had permitted the worksheet to produce and report a "Monthly Economic Cost" that includes the level of shared and common costs that would otherwise have been produced by the model. To be clear, TPTA is asking BellSouth to hold all other worksheet inputs constant as presented in Exhibit DDC-1, and to specifically restore the portions of the worksheet that calculate "Shared Cost" and "Common Cost" to the condition previously approved by the Authority.

RESPONSE:

- a. See response to part c.
- b. See response to part c.
- c. The cost study filed by BellSouth utilizes TSLRIC methodology as specified by FCC Docket No. 96-128. The steps requested by the TPOA would develop a TELRIC study. BellSouth has not performed these steps and it is not appropriate to do so because, as stated in previous responses to the TPOA's data requests (see Item No. 1 dated July 3, 1997 and Item No. 6 dated July 25, 2000), TELRIC is not the correct methodology for costing payphone access services.

REQUEST: Refer to page C.2.1 (bates stamp 000044) of Exhibit DDC-1.

- a. Describe in detail the steps taken by BellSouth to cause the entries in the column entitled "Shared Cost" be \$0.00.
- b. Describe in detail the steps taken by BellSouth to cause the "Common Cost Factor" to be 1.0000.
- c. Provide a copy of worksheet C.2.1 as it would have appeared if BellSouth had not undertaken the steps described in parts a. and b. above, but instead had permitted the worksheet to produce and report a "Monthly Economic Cost" that includes the level of shared and common costs that would otherwise have been produced by the model. To be clear, TPTA is asking BellSouth to hold all other worksheet inputs constant as presented in Exhibit DDC-1, and to specifically restore the portions of the worksheet that calculate "Shared Cost" and "Common Cost" to the condition previously approved by the Authority.

RESPONSE:

- a. See response to part c.
- b. See response to part c.
- c. The cost study filed by BellSouth utilizes TSLRIC methodology as specified by FCC Docket No. 96-128. The steps requested by the TPOA would develop a TELRIC study. BellSouth has not performed these steps and it is not appropriate to do so because, as stated in previous responses to the TPOA's data requests (see Item No. 1 dated July 3, 1997 and Item No. 6 dated July 25, 2000), TELRIC is not the correct methodology for costing payphone access services.

REQUEST: Refer to page C.2.2 (bates stamp 000050) of Exhibit DDC-1.

- a. Describe in detail the steps taken by BellSouth to cause the entries in the column entitled "Shared Cost" be \$0.00.
- b. Describe in detail the steps taken by BellSouth to cause the "Common Cost Factor" to be 1.0000.
- c. Provide a copy of worksheet C.2.2 as it would have appeared if BellSouth had not undertaken the steps described in parts a. and b. above, but instead had permitted the worksheet to produce and report a "Monthly Economic Cost" that includes the level of shared and common costs that would otherwise have been produced by the model. To be clear, TPTA is asking BellSouth to hold all other worksheet inputs constant as presented in Exhibit DDC-1, and to specifically restore the portions of the worksheet that calculate "Shared Cost" and "Common Cost" to the condition previously approved by the Authority.

RESPONSE:

- a. See response to part c.
- b. See response to part c.
- c. The cost study filed by BellSouth utilizes TSLRIC methodology as specified by FCC Docket No. 96-128. The steps requested by the TPOA would develop a TELRIC study. BellSouth has not performed these steps and it is not appropriate to do so because, as stated in previous responses to the TPOA's data requests (see Item No. 1 dated July 3, 1997 and Item No. 6 dated July 25, 2000), TELRIC is not the correct methodology for costing payphone access services.

REQUEST: Refer to page D.1.1 (bates stamp 000056) of Exhibit DDC-1.

- a. Describe in detail the steps taken by BellSouth to cause the entries in the column entitled "Shared Cost" be \$0.00.
- b. Describe in detail the steps taken by BellSouth to cause the "Common Cost Factor" to be 1.0000.
- c. Provide a copy of worksheet D.1.1 as it would have appeared if BellSouth had not undertaken the steps described in parts a. and b. above, but instead had permitted the worksheet to produce and report a "Monthly Economic Cost" that includes the level of shared and common costs that would otherwise have been produced by the model. To be clear, TPTA is asking BellSouth to hold all other worksheet inputs constant as presented in Exhibit DDC-1, and to specifically restore the portions of the worksheet that calculate "Shared Cost" and "Common Cost" to the condition previously approved by the Authority.

RESPONSE:

- a. See response to part c.
- b. See response to part c.
- c. The cost study filed by BellSouth utilizes TSLRIC methodology as specified by FCC Docket No. 96-128. The steps requested by the TPOA would develop a TELRIC study. BellSouth has not performed these steps and it is not appropriate to do so because, as stated in previous responses to the TPOA's data requests (see Item No. 1 dated July 3, 1997 and Item No. 6 dated July 25, 2000), TELRIC is not the correct methodology for costing payphone access services.

REQUEST: Refer to page D.1.2 (bates stamp 000063) of Exhibit DDC-1.

- a. Describe in detail the steps taken by BellSouth to cause the entries in the column entitled "Shared Cost" be \$0.00.
- b. Describe in detail the steps taken by BellSouth to cause the "Common Cost Factor" to be 1.0000.
- c. Provide a copy of worksheet D.1.2 as it would have appeared if BellSouth had not undertaken the steps described in parts a. and b. above, but instead had permitted the worksheet to produce and report a "Monthly Economic Cost" that includes the level of shared and common costs that would otherwise have been produced by the model. To be clear, TPTA is asking BellSouth to hold all other worksheet inputs constant as presented in Exhibit DDC-1, and to specifically restore the portions of the worksheet that calculate "Shared Cost" and "Common Cost" to the condition previously approved by the Authority.

RESPONSE:

- a. See response to part c.
- b. See response to part c.
- c. The cost study filed by BellSouth utilizes TSLRIC methodology as specified by FCC Docket No. 96-128. The steps requested by the TPOA would develop a TELRIC study. BellSouth has not performed these steps and it is not appropriate to do so because, as stated in previous responses to the TPOA's data requests (see Item No. 1 dated July 3, 1997 and Item No. 6 dated July 25, 2000), TELRIC is not the correct methodology for costing payphone access services.

REQUEST: Refer to page S.1.1 (bates stamp 000067) of Exhibit DDC-1.

- a. Describe in detail the steps taken by BellSouth to cause the entries in the column entitled "Shared Cost" be \$0.00.
- b. Describe in detail the steps taken by BellSouth to cause the "Common Cost Factor" to be 1.0000.
- c. Provide a copy of worksheet S.1.1 as it would have appeared if BellSouth had not undertaken the steps described in parts a. and b. above, but instead had permitted the worksheet to produce and report a "Monthly Economic Cost" that includes the level of shared and common costs that would otherwise have been produced by the model. To be clear, TPTA is asking BellSouth to hold all other worksheet inputs constant as presented in Exhibit DDC-1, and to specifically restore the portions of the worksheet that calculate "Shared Cost" and "Common Cost" to the condition previously approved by the Authority.

RESPONSE:

- a. See response to part c.
- b. See response to part c.
- c. The cost study filed by BellSouth utilizes TSLRIC methodology as specified by FCC Docket No. 96-128. The steps requested by the TPOA would develop a TELRIC study. BellSouth has not performed these steps and it is not appropriate to do so because, as stated in previous responses to the TPOA's data requests (see Item No. 1 dated July 3, 1997 and Item No. 6 dated July 25, 2000), TELRIC is not the correct methodology for costing payphone access services.

REQUEST: Refer to page S.1.2 (bates stamp 000071) of Exhibit DDC-1.

- a. Describe in detail the steps taken by BellSouth to cause the entries in the column entitled "Shared Cost" be \$0.00.
- b. Describe in detail the steps taken by BellSouth to cause the "Common Cost Factor" to be 1.0000.
- c. Provide a copy of worksheet S.1.2 as it would have appeared if BellSouth had not undertaken the steps described in parts a. and b. above, but instead had permitted the worksheet to produce and report a "Monthly Economic Cost" that includes the level of shared and common costs that would otherwise have been produced by the model. To be clear, TPTA is asking BellSouth to hold all other worksheet inputs constant as presented in Exhibit DDC-1, and to specifically restore the portions of the worksheet that calculate "Shared Cost" and "Common Cost" to the condition previously approved by the Authority.

RESPONSE:

- a. See response to part c.
- b. See response to part c.
- c. The cost study filed by BellSouth utilizes TSLRIC methodology as specified by FCC Docket No. 96-128. The steps requested by the TPOA would develop a TELRIC study. BellSouth has not performed these steps and it is not appropriate to do so because, as stated in previous responses to the TPOA's data requests (see Item No. 1 dated July 3, 1997 and Item No. 6 dated July 25, 2000), TELRIC is not the correct methodology for costing payphone access services.

REQUEST: Refer to page S.1.3 (bates stamp 000076) of Exhibit DDC-1.

- a. Describe in detail the steps taken by BellSouth to cause the entries in the column entitled "Shared Cost" be \$0.00.
- b. Describe in detail the steps taken by BellSouth to cause the "Common Cost Factor" to be 1.0000.
- c. Provide a copy of worksheet S.1.3 as it would have appeared if BellSouth had not undertaken the steps described in parts a. and b. above, but instead had permitted the worksheet to produce and report a "Monthly Economic Cost" that includes the level of shared and common costs that would otherwise have been produced by the model. To be clear, TPTA is asking BellSouth to hold all other worksheet inputs constant as presented in Exhibit DDC-1, and to specifically restore the portions of the worksheet that calculate "Shared Cost" and "Common Cost" to the condition previously approved by the Authority.

RESPONSE:

- a. See response to part c.
- b. See response to part c.
- c. The cost study filed by BellSouth utilizes TSLRIC methodology as specified by FCC Docket No. 96-128. The steps requested by the TPOA would develop a TELRIC study. BellSouth has not performed these steps and it is not appropriate to do so because, as stated in previous responses to the TPOA's data requests (see Item No. 1 dated July 3, 1997 and Item No. 6 dated July 25, 2000), TELRIC is not the correct methodology for costing payphone access services.

BellSouth Telecommunications, Inc.
Tennessee Regulatory Authority
Docket No. 97-00409
TPOA's Supplemental Discovery Requests
September 22, 2000
Item No. 11
Page 1 of 1

REQUEST: Define "reasonable overhead."

RESPONSE: In the context of a "new services" test analysis, a reasonable level of overhead means that BellSouth's service rate levels must fall within a range of cost/price ratios that have previously been accepted by the FCC for interstate filings.

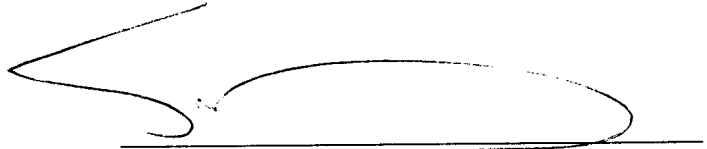
CERTIFICATE OF SERVICE

I hereby certify that on September 29, 2000, a copy of the foregoing document was served on the parties of record, as follows:

<input type="checkbox"/> Hand	Vincent Williams, Esquire
<input checked="" type="checkbox"/> Mail	Consumer Advocate Division
<input type="checkbox"/> Facsimile	426 5th Avenue, N., 2nd Floor
<input type="checkbox"/> Overnight	Nashville, TN 37243
<input type="checkbox"/> Hand	T. G. Pappas, Esquire
<input checked="" type="checkbox"/> Mail	Bass, Berry & Sims
<input type="checkbox"/> Facsimile	315 Deaderick Street, Suite 2700
<input type="checkbox"/> Overnight	Nashville, TN 37238-0002
<input type="checkbox"/> Hand	James Wright, Esquire
<input checked="" type="checkbox"/> Mail	United Telephone - Southeast
<input type="checkbox"/> Facsimile	14111 Capitol Blvd.
<input type="checkbox"/> Overnight	Wake Forest, NC 27587
<input type="checkbox"/> Hand	Richard Tettlebaum, Esquire
<input checked="" type="checkbox"/> Mail	Citizens Telecommunications
<input type="checkbox"/> Facsimile	1400 16th St., NW, #500
<input type="checkbox"/> Overnight	Washington, DC 20036
<input type="checkbox"/> Hand	Jon Hastings, Esquire
<input checked="" type="checkbox"/> Mail	Boult, Cummings, et al.
<input type="checkbox"/> Facsimile	P. O. Box 198062
<input type="checkbox"/> Overnight	Nashville, TN 37219-8062
<input type="checkbox"/> Hand	Val Sanford, Esquire
<input checked="" type="checkbox"/> Mail	Gullett, Sanford, Robinson & Martin
<input type="checkbox"/> Facsimile	230 Fourth Ave., N., 3d Fl.
<input type="checkbox"/> Overnight	Nashville, TN 37219-8888
<input type="checkbox"/> Hand	Henry Walker, Esquire
<input checked="" type="checkbox"/> Mail	Boult, Cummings, et al.
<input type="checkbox"/> Facsimile	P. O. Box 198062
<input type="checkbox"/> Overnight	Nashville, TN 37219-8062

- ☐ Hand
- ☒ Mail
- ☐ Facsimile
- ☐ Overnight

Guilford Thornton, Esquire
Stokes, Bartholomew, et al.
424 Church St., #2800
Nashville, TN 37219-2323

A handwritten signature in black ink, appearing to read "Guilford Thornton", written over a horizontal line.